(b) A number of instances of adoption or imposition of standards or measures on farm exports has been reported. If measures are based on evidence of science, and are not being used in an arbitrary and discriminatory manner, they are deemed to be compatible with the WTO provisions.

In case the exporters find that the imposed or adopted standards or measures are not based on evidence of science, and are being used in an arbitrary and discriminatory manner which is hurting their trade, they inform this Ministry either individually or through the export promotion councils, and the matter is suitably taken up at the bilateral level with the country concerned or in the SPS Committee of the WTO.

(c) The SPS Agreement encourages Members to base their SPS measures on international standards, guidelines and recommendations as developed by the Codex Alimentarius Commission (Codex), International Plant Protection Convention (IPPC), and the International Office of Epizootics (OIE). It also allows Members to introduce or maintain SPS measures which result in a higher level of SPS protection than would be achieved by measures based on the relevant international standards, guidelines or recommendations if there is a scientific justification. India strives to comply with the provisions of the SPS Agreement.

(d) To protect country's farm exports from such non-tariff barriers, a number of steps have been initiated which, *inter alia,* including holding bilateral and joint commission meetings, effective participation in the SPS Committee meetings, improving sanitary and phytosanitary conditions of country's overall exports by establishing and strengthening of certification agencies like Export Inspection Council (EIC), capacity and awareness building of concerned exporters through trainings, seminars, introducing compulsory testing regimes for certain specified commodities before shipping and giving financial assistance for quality testing of certain specified exportable produces.

Bilateral trade with BIMST countries

958. SHRI RAVI SHANKAR PRASAD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that while our bilateral trade with other countries is picking up, the Bangladesh, India, Myanmar, Bhutan, Nepal, Sri Lanka

and Thailand Economic Cooperation (BIMST) Treaty has not resulted in any appreciable economic cooperation;

(b) if so, the reasons therefor; and

(c) what is the action plan of Government to smoothen the process to facilitate an upswing in the bilateral trade with these countries as well?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) The Framework Agreement on Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) Free Trade Agreement (FTA) was signed in February, 2004. The Framework Agreement includes provision for negotiation of FTA on goods amongst the member countries, viz. Bhutan, Bangladesh, India, Myanmar, Nepal, Sri Lanka and Thailand. As per the schedule given in the Agreement, the tariff liberalisation programme shall commence on 1st July, 2006.

(c) Member countries of BIMSTEC have constituted the Trade Negotiating Committee (TNC) to carry forward the programme, as stipulated in the Framework Agreement and the TNC is undertaking the negotiations as per schedule.

Vishesh Krishi Upaj Yojana

959. SHRI T.T.V. DHINAKARAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) what are the salient features of Vishesh Krishi Upaj Yojana;

(b) since when this is being implemented; and

(c) the details of achievements of this scheme so far?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) Vishesh Krishi Upaj Yojana has been notified with an objective to promote export of fruits, vegetables, flowers, minor forest produce, dairy, poultry and their value added products by incentivising export of such products. The exporters of such products are entitled for duty credit scrip equivalent to 5% of FOB value of exports for each licensing year commencing from 1st April, 2004. However, dairy, poultry and their value added products shall qualify for benefits in respect of exports made on or after 1st April, 2005. The scrip and the items imported against it are freely transferable. The details